

Early in the feasibility evaluation of the Eagle Project, two different ore processing alternatives were considered as follows:

- ♦ Milling and flotation of coarse ore on-site to generate a Ni/Cu concentrate for shipping to an off-site processor.
- ♦ Transport by rail of coarse ore to an off-site mill in Canada.

Because of the resource and capital requirements for a mill on a greenfield site, on-site processing was not selected. The selected alternative for mineral processing includes the direct shipment of the coarse ore to Canada by rail. This decision was made based on the ore grade, transportation requirements and the relatively short timeframe of the project. Direct ship involving intermodal transportation involving trucks, rail and ships is not economical. Direct ship to Canada via trucks is also not an economically viable alternative.

4.3 Transportation

As discussed in the previous section, ore processing and transportation are closely related. For the evaluation of transportation alternatives, it was assumed that ore primary crushing at the mine site. From the mine site, coarse ore would then be transported by truck on approved county roads to a yet to be identified railhead site near Marquette. From the railhead, coarse ore will be shipped by rail to a mill in Canada.

Once the decision was made to transport crushed ore from the mine site to a railhead, an evaluation of alternative transportation routes was undertaken. Several transportation routes and railhead locations were screened, based on the overall condition of the roadway and infrastructure (subgrade conditions, drainage, bridges, etc.). Overall costs to upgrade portions of the route, along with potential environmental concerns were also considered in this evaluation. Five alternative routes were evaluated, as shown in Figure 2-6, and described below:

- ♦ Triple A Road to Peshekee Grade – Transport the ore via the Triple A Road to Peshekee Grade to a railhead in Michigamme Township. Dropped due to road improvement costs.
- ♦ CR 510 Option - Triple A Road → CR 510-Midway Drive → US 41 to a railhead in the vicinity of Marquette. This option was not selected as the best option based on initial construction improvement requirements and trucking costs.
- ♦ Logging Road Option - Triple A Road → CR 510 → Private Logging Road → CR550 → to a railhead in the vicinity of Marquette. This option was not selected as the best option based on initial construction improvement requirements.
- ♦ CR 550 Option - Triple A Road → CR 510 → CR 550 → to a railhead in the vicinity of Marquette. This route is the recommended alternative.
- ♦ The south transportation route - Create a road to a railhead in the vicinity of Highway 41. This option is dependent on the successful negotiation of road easements with private land owners. This option is not feasible due to lack of connecting easements at this time although discussions are ongoing.